

David Whitaker, Esq.
Director
Irvin Corley, Jr.,
Executive Policy Manager
Marcell R. Todd, Jr.
Senior City Planner

LaKisha Barclift, Esq
Kemba Braynon
Elizabeth Cabot, Esq.

City of Detroit

CITY COUNCIL

LEGISLATIVE POLICY DIVISION
208 Coleman A. Young Municipal Center
Detroit, Michigan 48226

Phone: (313) 224-4946 Fax: (313) 224-4336

Janese Chapman
Derrick Headd
Anne Marie Langan
Gregory Moots
Julianne Pastula, Esq.
Jerry Pokorski
Sabrina Shockley
David Teeter
Kathryn Underwood

TO: The Honorable City Council

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: January 13, 2014

RE: **REVIEW OF CONTRACTS AND PURCHASING FILES**

Attached is the list of contracts and purchase orders recommended by the Finance Department, Purchasing Division and submitted to the City Council for referral to the Committees on January 14, 2014.

The comments and review of the Legislative Policy Division staff are printed in bold following the contracts.

Attachments

cc:	Janice Winfrey	City Clerk
	Mark Lockridge	Auditor General
	Palencia Mobley	Mayor's Liaison
	Boysie Jackson	Purchasing Division
	Irvin Corley	Legislative Policy Division
	Marcell Todd	Legislative Policy Division

Statistics compiled for the list of Contracts and Purchases submitted for referral on January 14, 2014.

Department	No. of Contracts or Purchase Orders	Detroit-Based Business Bids	Change, Extension Increases, Renewals	Located in Detroit
Finance 1 Contract with State for multiple departments	1	0	1 Extension	0
General Services	1	0	1 Extension	0
Municipal Parking 1 Towing Service contract for Boot & Tow	1	0	1 Renewal	1
Police 1 Professional services contract for Homeland Security	2	0	1 Extension 1 Renewal	1
Transportation	1	0	0	0
Totals	6	0 Detroit-Based Business Bids	3 Extensions 2 Renewals	2

This list represents appropriations totaling approximately \$ 2,048,019.00¹

Included in the total costs are the following:

City General Fund	\$ 279,568.00
General Grant Funds	\$ 1,180,000.00
Transportation Grant Fund	\$ 588,451.00

¹ This list includes: Contracts renewed / extended for 8 months to 3 years; and a New Contract for 1 year.

TO: The Honorable City Council

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: January 13, 2014

RE: **CONTRACTS AND PURCHASE ORDERS SCHEDULED TO BE CONSIDERED
AT THE FORMAL SESSION OF JANUARY 14, 2013**

FINANCE

2850719 100% City Funding – To Provide Natural Gas – Company: State of Michigan (MIDeal State Contract), Location: 530 W. Allegan, Lansing, MI 48910 – Contract Period: November 1, 2013 through October 31, 2015 – Contract Not to Exceed: \$40,000,000.00 (Time Only)

This request is to amend the current contract to add time only (Two (2) Years). The previous contract was approved by City Council on October 11, 2011 for \$40,000,000.00.

Costs budgeted to multiple Accounts as follows:

Fire costs budgeted to General Fund, Acct. 1000-240191-000087-626802-00718-0-A1040, Appropriation for Fire Fighting Operations includes funding of \$54,532,848 as of Jan. 10, 2014;

General Services costs budgeted to General Fund, Acct. 1000-470009-006004-626802-11830-0-A4510, Appropriation for Facilities and Grounds Maintenance includes available funding of \$5,732,824 as of January 10, 2014;

Public Lighting costs budgeted to General Fund, Acct. 1000-380010-0-626802-001223-0-0, Appropriation for Administration includes available funding of \$1,670,393 as of Jan. 10, 2014;

Public Works costs budgeted to Solid Waste Management Fund, Acct. 3401-190410-000041-626802-12396-0-A4510, Appropriation for Solid Waste Management includes available funding of \$3,302,672 as of January 10, 2014;

Recreation costs budgeted to General Fund, Acct. 1000-395180-011657-626802-11657-0-RD550, Appropriation for Business Operations & Support Services includes available funding of \$4,178,365 as of January 10, 2014; and

Transportation costs budgeted to Transportation Operation Fund, Acct. 5301-200170-000055-626802-00149-0-A3550, Appropriation for Plant Maintenance includes available funding of \$3,830,226 as of January 10, 2014.

This contract was initially approved Oct. 2011 for a term of 2 years, from Nov. 1, 2011 through October 31, 2013, for an estimated cost of \$40,000,000. The contract includes the options to renew 2 additional years.

Discussion continues on following page

Finance Department - continued

2850719 100% City Funding – To Provide Natural Gas – Company: State of Michigan (MIDeal State Contract), Location: 530 W. Allegan, Lansing, MI 48910 – Contract Period: November 1, 2013 through October 31, 2015 – Contract Not to Exceed: \$40,000,000.00

Contract Discussion continued

The request is for approval of the renewal for 2 years with no additional funding required for the renewal.

Bids were solicited in 2011; the Lowest bidder was not able to match the State of Michigan Energy Cooperative Price which is determined by the Platts Gas Daily Index minus \$0.02 per MMBTU. The City pays to the State for the Natural Gas used. The State has 2 contracts for Natural Gas with: BP Canada Energy, based in Calgary, Alberta; and Constellation NewEnergy Gas Division, based in Louisville, Kentucky. DTE is designated as the Local Utility Company supplying natural gas transportation to the City.

The State of Michigan is responsible to payment of the natural gas supply deliveries directly to the natural gas supplier; the State will provide monthly invoices with a spreadsheet detailing the components of the invoice to the City; The City is obligated to pay the invoice from the State within 30 days. If the City fails to provide payment within 30 days, the State may, in its discretion, require the City to pre-pay each future estimated monthly invoice in advance.

For January through December 2014, the estimated unit costs appear to range from \$.42 per MMBTU to \$.45; DTE rate for transport is \$.07 per MMBTU; and \$100 per month in Administrative Overhead costs.

Usage is estimated separately for Water & Sewerage and for the rest of the City.

For Water and Sewerage, usage ranges from a high in January at 2,152,936 MMBTU to a low in June at 767,732 MMBTU, for total projected monthly costs ranging from \$1,076,468 to \$376,189; Annual cost estimated at \$8,815,115.

Finance (other City Departments), usage ranges from a high in January of 572,970 MMBTU to a low in August of 6,214 MMBTU, for a total project monthly costs ranging from \$326,593 to \$18,145; Annual cost for 2014 estimated at \$1,945,475.

As indicated, there is NO ADDITIONAL funding requested to the initial \$40,000,000 authorized for this contract.

City Council may wish to inquire how much has been expended since this contract has been in place since Nov. 1, 2011.

Clearances and Affidavits are not required for a contract with another government entity.

GENERAL SERVICES

2881301 100% City Funding - To Provide an Extension of Contract for Sole Source providing Expertise in the Automation of Fleet and Fuel System Services Maintenance Support for a period not to Exceed Eight (8) Months beginning November 2, 2013 through June 30, 2014 – Caroline Software Technologies Inc. 1325 Central Road, Clemmons, NC 27012 – Total Estimated Cost: \$80,000.00

This request is an Extension of a Sole Source Purchase for a period of Eight (8) Months beginning November 2, 2013. This contract was previously approved on August 5, 2013.

Costs budgeted to General Fund, Acct. 1000-470100-006004-621504-12153-0-A4510, Appropriation for Fleet Management includes funding of \$12,241,446 as of January 10, 2014.

This request is to extend the current contract with Caroline Software Technologies, for a period of 8 months, through June 30, 2014, with an increase of \$80,000 in costs for a total of \$179,510.

This contract was initially approved July 16, 2013, for a term from May 15 through October 2013. The contract services are to provide the technical expertise and support to the Fleet Management Division. Contract services provided include: Assistance with preparing the Requests for Proposals (RFP) to maintain, service the City's needs for fleet management, including the structure and content of the RFP; Survey of the existing City Fleet and proposals for ongoing requirements.

According to General Services, the contractor has completed surveys of parts of the City Fleet, including Police vehicles and the Courville fleet; 2 RFP's have been prepared and issued; one for outsourcing the City's fleet management, and one for leasing vehicles as needed.

Responses have been received. Department indicates the additional services are for the review, analysis, evaluation, recommendations and supporting reports for the proposals that have been received, recommendations for negotiations with recommended vendors and recommendations to the City for implementation.

This contract was approved as a Sole Source contract due to the expertise and experience of this vendor; Similar services to survey, evaluate and make recommendations on the City's requirements for fleet management have been provided to many other municipalities.

Covenant of Equal Opportunity Affidavit signed 7-2-13; TAXES: Good Through 7-3-14 and 6-30-14; Hiring Policy Compliance Affidavit signed 7-2-13 – File includes statement from the vendor they do not anticipate hiring any employees for this contract; Slavery Era Records Disclosure Affidavit signed 7-2-13, indicating business established 2000, no records to disclose.

MUNICIPAL PARKING

2869860 100% City Funding – To Provide Towing Service, Municipal Parking Department Boot and Tow – Company: BreakThrough Towing LLC, Location: 1502 W. Fort Street, Detroit, MI 48201 – Contract Period: October 1, 2013 through September 30, 2014 – Contract Extension: One (1) Year Extension – Contract Increase: \$66,650.00 – Contract Amount Not to Exceed: \$116,650.00

This request is to amend the current contract to add time (One (1) Year Extension) and money. The previous contract was approved by City Council on November 1, 2013 for \$50,000.00.

Costs budgeted to General Fund, Acct. 1000-340080-0-617900-00102-0-0, Appropriation for Parking Violations Bureau includes available funding of \$3,990,450 as of January 10, 2014.

Three (3) contracts were approved to the Municipal Parking's Boot and Tow program, to provide towing services of vehicles that are booted by the Department personnel. 2 contracts were approved in Nov. 2012 with: PO 2869879, Pick Up & Run Auto Recovery (\$50/tow) at \$50,000 per year; and PO 2869882, Bobby's Towing (\$50/tow) at \$100,000 per year; This contract with Bobby's Towing was submitted the Week of Dec. 16, 2013, to be renewed for 1 year, through Nov. 30, 2014 with an increase of \$46,800 in costs.

This contract with BreakThrough Towing was approved Feb. 2, 2013 (not Nov. 1, 2013 indicated above) for a term from Dec. 1, 2012 through November 30, 2013 for \$50,000, at a rate of \$45 per tow. The renewal is indicated above to begin Oct. 1, 2013, instead of Dec. 1, 2013; *City Council may wish to inquire if this date should be corrected.*

This request is for a 1 year renewal of the contract, and a request to increase costs, for the renewal, by \$66,650 to a total of \$116,650; the rate of \$45 per tow remains the same, this will provide for 1,481 tows.

Towers are required to have a 1 ½ ton tow-truck and a flat-bed truck dedicated to servicing this City contract; Vehicles are towed to the City Impound lot at 631 Caniff, or to the Eastern Market garage if required to be stored inside

Contract checklist, dated Nov. 1, 2013, indicates this contract renewal is essential to provide for towing of Municipal Parking Dept. authorized booted vehicles to the City Impound facility.

Covenant of Equal Opportunity Affidavit signed 11-22-13; TAXES: Good Through 11-12-14 and 1-15-14; Hiring Policy Compliance Affidavit signed 11-22-13; Slavery Era Records Disclosure Affidavit signed 11-30-13, indicating business established 2006, no records to disclose.

POLICE

2804091 100% City Funding – To Furnish Livescan System and Support – Company: ID Networks Inc., Location: 7720 Jefferson Road, Ashtabula, OH 44005 – Contract Period: January 1, 2013 through December 31, 2015 – Total Contract Amount: \$132,918.00

Renewal of Existing Contract – Original Contract expired December 31, 2012.

Costs budgeted to General Fund, Acct. 1000-372321-004503-644100-11041-0-A1081, Appropriation for Technical Services Bureau, includes available funding of \$19,683,286 as of January 10, 2014.

This request is to renew the contract services for software licensing, support and maintenance for a 3-year term, from January 2013 through December 2015, at a cost of \$44,306 per year.

This contract was initially approved in September 2009 for a 1 year cost of \$51,058 as a Sole Source for the Fingerroll Livescan System and Imagenet System for fingerprints, arrest records and mugshots. The 2009 cost of \$40,515 included: 16 Livescans (hardware and software), 13 touchscreen monitors, 16 Camera Capturekits and 16 Driver's license scanners. The additional \$10,543 is a Annual Service Maintenance fee for the Regional Web-based Fingerprint Archive System.

The previous contract renewal was submitted and approved the Week of Dec.10, 2012, for the period from January through December 2012, for the same cost of \$50,058.

This request is for a 3-year renewal of the contract, for the same equipment and software, for a cost of \$33,763 (24% reduction in price); plus the \$10,543 Service Maintenance Fee for the Regional Web Based FingerPrint Archive System software. The multi-year renewal provides the advantage that prices are not increased during this period.

City Council received and referred to the Public Health and Safety Committee on January 7, 2014, a Confirming Requisition 2887151 with ID Networks, for hardware and software required at the Detroit Detention Center on Mound Road, for \$139,700; that contract is being held for response to questions from Committee members. There is also a 2nd Price Quotation provided by ID Networks, included in the Purchasing File, for the Annual Maintenance Support fees for systems at the Detroit Detention Center totaling \$64,515 for the term of January through December 2014. This appears to be a separate cost, in addition to the cost renewals included with this contract. City Council may wish to request additional information.

Contract checklist, received Dec. 13, 2013, indicating this contract renewal is essential to ensure the Fingerprint archive system, Palm system and Livescan System are maintained and continue to work properly.

Covenant of Equal Opportunity Affidavit signed 11-27-13; TAXES: Good Through 12-11-14 and 6-30-14; Hiring Policy Compliance Affidavit signed 11-27-13; Slavery Era Records Disclosure Affidavit signed 11-27-13, indicating no records to disclose.

Police Department - *continued*

2822279 100% Federal Funding – To Provide Professional Consultant/Contractor Services – Company: Strategic Staffing Solutions, Inc., Location: 645 Griswold Street, Detroit, MI 48226 – Contract Period: July 1, 2013 through June 30, 2014 – Contract Extension: One (1) Year Extension – Contract Increase: \$1,180,000.00 – Contract Amount Not to Exceed: \$3,105,000.00

This request is to amend the current contract to add time (One (1) Year Extension) and money. The previous contract was approved by City Council on December 10, 2012 for \$1,925,000.00.

Costs for this increase are budgeted to the following General Grants Fund accounts:

\$565,000 to Acct. 3601-374631-310100-617900-13618-0-A1100, Appropriation for 2011 Homeland Security Grant includes available funding of \$604,848 as of January 10, 2014;

\$600,000 to Acct. 3601-374632-310100-617900-13619-0-A1100, Appropriation for 2012 Homeland Security Grant includes available funding of \$755,039 as of January 10, 2014; and

\$15,000 to Acct. 3601-374641-310100-617900-13620-0-A1100, Appropriation for Metropolitan Medical Response Systems includes available funding of \$267,609 as of January 10, 2014.

This request is for a 1-year extension of this contract, through June 30, 2014, to provide the resources and personnel to support the project and activities of the Office of Homeland Security /Emergency Management; with an increase of \$1,180,000 to pay for services for the extended term.

This contract was initially approved July 13, 2010, for a 1-year term, through June 30, 2011, for a cost of \$1,000,000. This business was initially contracted to provide the staff services for the Office of Homeland Security when the office was initially established; services were paid directly by the State. Beginning in 2009, the State required the City to pay for the staffing services with reimbursement from the State.

The contract lapsed for a year, 2011/2012 - costs of services were paid through 2 Confirming Requisitions (No. 2860854, approved April 2012; and No. 2870444 approved in Oct. 2012) for a total of \$1,025,544.53.

Contract 2822279 was submitted the Week of Dec. 10, 2012, to extend the contract 2 years, from July 1, 2011 through June 30, 2013, with an increase of \$925,000 (costs for the 2012/2013 year).

This 2nd extension, from July 2013 through June 2014, for a costs of \$1,180,000 is being submitted through the Police Dept. because the Office of Homeland Security was made a Division of the Police Dept. for a period of time during the latter part of 2013.

Contract Discussion continues on following page

Police Department - *continued*

2822279 100% Federal Funding – To Provide Professional Consultant/Contractor Services – Company: Strategic Staffing Solutions, Inc., Location: 645 Griswold Street, Detroit, MI 48226 – Contract Period: July 1, 2013 through June 30, 2014 – Contract Extension: One (1) Year Extension – Contract Increase: \$1,180,000.00 – Contract Amount Not to Exceed: \$3,105,000.00

Continued Discussion of contract

This contract is for all the staff services to operate Homeland Security for the City which includes: Coordination, preparation and implementation of plans, operations, training and information sharing related to a hazardous environment, either natural or man-made disasters. Services include: Activate the Emergency Operations Center when required; Prepare operational plans for pre-planned events, training exercises and emergencies or disasters; Conduct risk, capability and vulnerability assessments; Participate as a member of the Detroit Local Emergency Planning Council; Provide Community Education on emergency preparedness, response and recovery operations; Provide general office management duties.

Costs are reimbursed based on Monthly invoices detailing services provided. The maximum hourly rates for personnel appear to remain the same, for this extension, which includes: \$65 per hour for Operations/Planning/Training/ Exercises; Community Emergency Response Team; Grants Coordinator/Financial/Procurement; Geographic Information Services Specialist; Fusion Center Liaison/Grant Writer/ Special Projects; and \$50 per hour for Medical Response System Coordinator / Planner, Medical Reserve Corps Coordinator, and Medical Response System Assistant.

Contract checklist, dated November 15, 2013, indicates this contract extension is essential for the continued personnel services to maintain and provide required services to comply with grant funding for the Homeland Security and Emergency Management services.

Covenant of Equal Opportunity Affidavit signed 9-14-11; TAXES: Good Through 12-4-14 and 1-15-14; Slavery Era Records Disclosure Affidavit signed 12-3-12, indicating business established 1990, no records to disclose; Hiring Policy Compliance Affidavit signed 12-3-12, File includes statement from business, dated Dec. 19, 2013, that applicants for potential employment for City contracts will NOT be required to answer the question if they have had a felony or not, Employment Application DOES INCLUDE the question if applicant ever convicted of a felony.

TRANSPORTATION

2886812 80% Federal Funding, 20% State Funding - To Furnish Sole Source Purchase Order for an Upgrade/Replacement of MC7100 IP Dispatch Consoles and Relocation of DDOT Staff from Coolidge Terminal to Administration Building for a One (1) Year Period – Company: Motorola Solutions Inc., Location: 1303 E. Algonquin Road, Schaumburg, IL 60196 – Total Estimated Cost: \$588,451.00

This upgrade request is needed to allow for DDOT to continue to communicate with the coaches and other satellite locations.

Costs budgeted to Transportation Grants Fund, Acct. 5303-208356-000058-644100-10330-0-DOT51, Appropriation for Federal/State Capital Grants includes available funding of \$139,338,900 as of January 10, 2014.

This contract is for the purchase of new dispatch Console and installation of the new equipment in the Administrative Services facility on East Warren. The Transportation staff now, located at the Coolidge Terminal must be moved out of this location, facility is not considered to be safe due to fire damage. *City Council may wish to inquire what will be done with the Coolidge Terminal, whether it will be rehabilitated or demolished.*

Previous radio equipment and maintenance of the equipment was provided by Motorola Solutions. Dept. of Transportation previously used a Water and Sewerage contract (No. 2822355) with Motorola for radio equipment and repair, batteries, chargers and a full service maintenance agreement. The Dept. of Transportation requested an increase of \$9,756 to the Water and Sewerage contract for DDOT requirements.

According to DDOT, the current equipment is old and out-of-date and some of the equipment is no longer working. Motorola will remove the old equipment from the Coolidge site and install the new equipment in the Administrative Building. It is believed the warranty on the equipment is for 3 years.

Costs include the Implementation, including Program Management and installation of the new Dispatch Console for \$449,890; Watson Console Furniture, includes lighting, pedestal storage box, heated mat for a total of \$138,561.56.

No information was provided if this vendor is considered a Sole Source or if new radio consoles may be available and prices were compared with other vendors.

Covenant of Equal Opportunity Affidavit signed 9-18-13; TAXES: Good Through 10-31-14 and 6-30-14; Slavery Era Records Disclosure Affidavit signed 9-18-13, indicating no records to disclose; Hiring Policy Compliance Affidavit was NOT signed, Statement from business, dated June 21, 2012, indicates that Motorola is a multinational corporation with 10,000 employees in USA and receives over 23,000 applications from potential job candidates - applications DO INCLUDE question inquiring about applicant's criminal conviction history.